

**To:** Audit & Governance Committee

**Date:** 26<sup>th</sup> January 2010

**Item No:**

**Report of:** Head of Finance

**Title of Report:** Risk Management: Improvement Plan

### **Summary and Recommendations**

**Purpose of report:** To update the A&GC on Risk Management developments which have been made or are in progress.

**Report Approved by:**

**Finance:** Penny Gardner  
**Legal:** Jeremy Thomas

**Policy Framework:** Improving value for money & service performance

**Recommendation(s):** To note the report

## **Summary**

### **Purpose of Report**

This report is to provide an interim update to the Audit & Governance Committee on Risk Management matters. This does not replace the quarterly reporting process on the Corporate Risk Register (CRR). The Q3 update is due to be provided to the Committee in March.

The Risk manager role was a new post and since appointment, has spent time reviewing current processes. This report identifies areas where change and improvement can be made and the plans for those changes.

### **Report Details**

#### **Risk Management Timetable**

A revised and more detailed timetable has been issued to Service Heads. This will help Service Areas take a more proactive approach to managing risks within their areas by being able to incorporate risk management activities into their business as usual activities. Service Heads currently provide updated Service Risk Registers on a quarterly basis and complete risk registers with each City Executive Board report.

Officers and Members are reminded of the importance of taking a proactive approach towards the Management of Risk. Whilst processes exist to ensure that we continue to identify and monitor risks to the Council, it is imperative that Officers and Members do not solely rely on these processes.

#### **Service Area Self Assessment**

Each Head of Service and Director was asked to complete an Area Self-Assessment questionnaire in late December/early January. This questionnaire aims to provide valuable feedback on how Risk Management is viewed within each area. This will then be fed in to the approach taken through the year. This exercise will be repeated in 6 months time, this is when the true value of the exercise will be shown as it will allow us to gauge the progress that the Council has made to further develop risk management.

#### **Risk Policy & Strategy Update**

The Risk Policy & Strategy is in the process of being updated. This will be reviewed and approved by the Corporate Management Team ahead of its final approval by this Committee in March.

## **Risk Group**

Following on from the success of the previous risk group in establishing the 2009/10 Corporate Risk Register, a new Risk group will be established.

Membership will comprise of:

One representative from: City Regeneration Directorate  
City Services Directorate

Corporate Performance Manager  
Head of Procurement & Shared Services  
Head of Law & Governance  
Partnership Development Manager  
Business Transformation Manager  
Corporate Director Finance & Efficiency  
Risk Manager

The purpose of this group includes:

- Review of and recommendations for changes to risk policy, prior to submission to this committee
- Review and qualification of benchmarking results before submission to Performance Board (or the most relevant corporate officer board following the board restructure)
- Support the further embedding of risk management across the organisation and beyond organisational boundaries including partnerships and contractual relationships
- Act as Risk Champions across the organisation creating awareness, improved understanding, stronger organisational approach to risk identification and management. Developing the Risk Management Culture - by embedding the theme - 'Actively Thinking about Risk Management'
- Support the quarterly review of service risk registers

## **Training**

There is a need to refresh the Risk management training across the Council. The previous internal auditors, KPMG, have held individual one-to-one sessions for risk owners over the past year, pending the appointment of the Risk Manager. There is a need for the training to cover more staff and to refresh training on the basic principles.

There will be several layers to this training.

### **1. E-Learning**

A simple training session will be developed to give fundamental understanding of risk management. The training must initially be completed by Service Heads, Members, authors of CEB reports, Programme Managers and staff who manage large contracts or Partnerships. Ultimately it is

intended that an adapted version of this programme will be incorporated in to the induction programmes for both Members and Senior Officers.

2. Member/Councillor Training

Training will be provided to Members/Councillors who attend the City Executive Board or Audit and Governance Committee. Training will be provided in a one hour session as part of the agendas for the committees. Zurich, our insurers, will deliver the training and have agreed a training programme with us, suitable committee dates now need to be identified.

3. Risk Group Training

The Risk Group will be provided with a 'super user' training programme. This is to ensure that they are appropriately training for their role on the Group.

**Corporate Risk Identification Session**

A 'blank Sheet', risk identification session, will be completed with the Senior Management Team on 12<sup>th</sup> January 2010. This will identifying any new corporate risks. The session will not review or validate existing risks which were last reviewed and reported in November as part of the Q2 update cycle. The full Corporate Risk Register is due to be reviewed and reported on again for Q3 in March.

**Recommendations**

The Committee is asked to **NOTE** the content of this report.

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**Background papers: None**

**Version number:**